

Minneapolis Community Development Agency

Request for City Council Action

Date: September 19, 2002

To: Council Member Lisa Goodman, Community Development Committee
Council Member Barbara Johnson, Ways and Means/Budget Committee

Prepared by George Kissinger, Senior Project Coordinator, Phone 612-673-5014

Approved by Chuck Lutz, MCDA Interim Executive Director _____

Subject: Informational Status Report, Brookfield Saks Lease

Previous Directives: June 7, 2002 City Council action to reject Brookfield settlement offer of May 6, 2002 regarding Saks Parcel with intent and effect of allowing Brookfield ground lease to expire on termination date of June 15, 2002.

Ward: 7

Neighborhood Group Notification: N/A

Consistency with *Building a City That Works*: N/A

Comprehensive Plan Compliance: N/A

Zoning Code Compliance: N/A

Impact on MCDA Budget: Appropriation approved to provide for the collection of rental income and pay property management expenses.

Living Wage / Business Subsidy: N/A

Job Linkage: N/A

Affirmative Action Compliance: N/A

Recommendation: Receive and File this informational status report.

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Equal Housing and Employment Opportunities

Brookfield continues to hold possession of the Saks Parcel and continues to manage the property, to withhold the Saks Base Rent (\$16,667.00/month) and retain other project net income. The hearing that will determine the nature of each party's interest in the Saks Parcel has been moved back to September 16th. This change in hearing date was at the convenience of the Court and not petitioned by either party.

With regard to the North Parcel, the MCDA has filed for a request of notice to any mortgage foreclosure actions. As of the writing of this report only the notice of default has been given and the formal foreclosure has not yet commenced.

This report was prepared by George Kissinger. For more information, please call 612-673-5014.